## MUTUAL NON-DISCLOSURE AGREEMENT

THIS MUTUAL NON-DISCLOSURE AGREEMENT dated as of October 28, 1997 by and between Movelt! Software, Inc., a Washington corporation, and College Enterprises Inc., a California corporation.

WHEREAS, in connection with the Business Plans and Technology Plans of each company, each party (in each case, a "Disclosing Party") is prepared to make available to the other party (in each case, a "Receiving Party") certain information concerning the business, financial condition, operations, assets and liabilities of the Disclosing Party.

NOW, THEREFORE, in consideration for the exchange of certain information and the mutual promises contained herein, the parties hereto agree as follows:

1. <u>Confidential Information</u>. As a condition to information being furnished to the Receiving Party and its directors, officers, employees, agents or advisors (including, without limitation, attorneys, accountants, consultants, bankers and financial advisors) (collectively, "Representatives"), the Receiving Party agrees to treat any Confidential Information (as defined below) in accordance with the provisions of this Agreement, and to take or abstain from taking certain other actions hereinafter set forth.

"Confidential Information" means any proprietary information (whether prepared by the Disclosing Party, its advisors or otherwise and irrespective of the form of communication) which is furnished to the Receiving Party or to its Representatives now or in the future by or on behalf of the Disclosing Party, including but not limited to all notes, analyses, compilations, studies, interpretations or other documents prepared by the Receiving Party or its Representatives which contain, reflect or are based upon, in whole or in part, the information furnished to the Receiving Party or its Representatives pursuant hereto. The term "Confidential Information" does not include information which (i) is or becomes generally available to the public other than as a result of a disclosure by the Receiving Party or its Representatives, (ii) was within the possession of the Receiving Party prior to its being furnished to the Receiving Party by or on behalf of the Disclosing Party pursuant hereto or (iii) becomes available to the Receiving Party on a nonconfidential basis from a source other than the Disclosing Party or any of its Representatives; provided, in the case of clauses (ii) and (iii), that the source of such information was not known by the Receiving Party to be bound by a confidentiality agreement with or other contractual, legal or fiduciary obligation of confidentiality to the Disclosing Party or any other party with respect to such information.

2. <u>Treatment of Confidential Information</u>. The Receiving Party and its Representatives shall use the Confidential Information solely for the purpose of evaluating a possible negotiated transaction with the Disclosing Party and not in any way detrimental to the Disclosing Party and its shareholders. The Receiving Party and its Representatives shall keep the Confidential Information confidential and shall not

disclose any of the Confidential Information in any manner whatsoever; provided, however, that (i) the Receiving Party may make any disclosure of such information to which the Disclosing Party gives its prior written consent and (ii) any of such information may be disclosed to the Receiving Party's Representatives who need to know such information for the sole purpose of evaluating a possible negotiated transaction with the Disclosing Party, who agree to keep such information confidential and who are provided with a copy of this Agreement and agree to be bound by the terms hereof to the same extent as if they were parties hereto. In any event, the Receiving Party shall be responsible for any breach of this Agreement by any of its Representatives, and the Receiving Party shall, at its sole expense, take all reasonable measures (including but not limited to court proceedings) to restrain its Representatives from prohibited or unauthorized disclosure or use of the Confidential Information.

- 3. No Disclosure. Without the prior written consent of the Disclosing Party, the Receiving Party and its Representatives shall not disclose to any other person the fact that the Confidential Information has been made available to it, that discussions or negotiations are taking place concerning a possible transaction involving the Disclosing Party or any of the terms, conditions or other facts with respect thereto (including the status thereof); provided that the Receiving Party may make such disclosure if it has received the written opinion of its outside counsel that such disclosure must be made by the Receiving Party in order that it not commit a violation of law. The term "person" as used in this Agreement shall be broadly interpreted to include the media and any corporation, partnership, group, individual or other entity.
- Compelled Disclosure. If the Receiving Party or any of its Representatives are requested or required (by oral questions, interrogatories, requests for information or documents in legal proceedings, subpoena, civil investigative demand or other similar process) to disclose any of the Confidential Information, the Receiving Party shall provide the Disclosing Party with prompt written notice of any such request or requirement so that the Disclosing Party may seek a protective order or other appropriate remedy and/or waive compliance with the provisions of this Agreement. If, in the absence of a protective order or other remedy or the receipt of a waiver by the Disclosing Party, the Receiving Party or any of its Representatives are nonetheless, in the written opinion of counsel, legally compelled to disclose Confidential Information to any tribunal or else stand liable for contempt or suffer other censure or penalty, the Receiving Party or its Representatives may, without liability hereunder, disclose to such tribunal only that portion of the Confidential Information which such counsel advises the Receiving Party is legally required to be disclosed; provided that the Receiving Party exercises its best efforts to preserve the confidentiality of the Confidential Information, including, without limitation, by cooperating with the Disclosing Party to obtain an appropriate protective order or other reliable assurance that confidential treatment will be accorded the Confidential Information by such tribunal.
- 5. Return of Confidential Information. All Confidential Information shall remain the sole property of the Disclosing Party. At any time upon the request of the

Disclosing Party for any reason, the Receiving Party will promptly deliver to the Disclosing Party all Confidential Information (and all copies thereof) furnished to the Receiving Party or its Representatives by or on behalf of the Disclosing Party pursuant hereto. In the event of such a request all other Confidential Information prepared by the Receiving Party or its Representatives shall be destroyed and no copy thereof shall be retained. Notwithstanding the return or destruction of the Confidential Information, the Receiving Party and its Representatives will continue to be bound by their obligations of confidentiality and other obligations hereunder.

- 6. No Representations or Warranties. The Receiving Party understands and acknowledges that neither the Disclosing Party nor any of its Representatives makes any representation or warranty, express or implied, as to the accuracy or completeness of the Confidential Information. Neither the Disclosing Party nor any of its Representatives shall have any liability to the Receiving Party or to any of its Representatives relating to or resulting from the use of the Confidential Information or any errors therein or omissions therefrom.
- 7. <u>Termination</u>. This Agreement shall terminate one year from the date hereof.
- 8. <u>Survival</u>. The obligations of the parties hereto shall continue for a period ending two years from the date hereof.
- 9. <u>No Waiver</u>. It is understood and agreed that no failure or delay by the Disclosing Party in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or future exercise thereof or the exercise of any other right, power or privilege hereunder.
- damages would not be a sufficient remedy for any breach of this Agreement by the Receiving Party or any of its Representatives and that the Disclosing Party shall be entitled to equitable relief, including injunction and specific performance, as a remedy for any such breach. Such remedies shall not be deemed to be the exclusive remedies for a breach by the Receiving Party or its Representatives of this Agreement but shall be in addition to all other remedies available at law or in equity to the Disclosing Party. In the event of litigation relating to this Agreement, if a court of competent jurisdiction determines that the Receiving Party or any of its Representatives have breached this Agreement, then the Receiving Party shall be liable for and pay to the Disclosing Party the reasonable legal fees incurred by the Disclosing Party in connection with such litigation, including any appeal therefrom.
- 11. Governing Law; Jurisdiction; Venue. This Agreement is for the benefit of the Disclosing Party, and its directors, officers, shareholders, owners, affiliates and agents, and shall be governed by and construed in accordance with the laws of the State of Washington. Each party hereby irrevocably and unconditionally consents to submit to the exclusive jurisdiction of the state and federal courts located in the State of

Washington for any actions, suits or proceedings arising out of or relating to this Agreement and the transactions contemplated hereby (and each party agrees not to commence any action, suit or proceeding relating thereto except in such courts), and further agrees that service of any process, summons, notice or document by U.S. registered mail or recognized international courier service to its address set forth above shall be effective service of process for any action, suit or proceeding brought against it in any such court. Each party hereby irrevocably and unconditionally waives any objection to the laying of venue of any action, suit or proceeding arising out of this Agreement or the transactions contemplated hereby in the state or federal courts located in the State of Washington, and hereby further irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any such action, suit or proceeding brought in any such court has been brought in an inconvenient forum.

- 12. <u>Prior Agreements, Amendments</u>. This Agreement supersedes all prior agreements between the parties, written or oral, with respect to the subject matter covered hereby. No amendment or modification to this Agreement shall be valid or binding unless in writing and signed on behalf of each party by a duly authorized representative.
- 13. <u>Counterparts</u>. This Agreement may be executed in two or more identical counterparts, each of which shall be deemed to be an original and all of which taken together shall be deemed to constitute one and the same instrument.

IN WITNESS WHEREOF, the duly authorized representatives of the parties have executed this Agreement as of the date set forth above.

Bv:

MOVEIT! SOFTWARE, INC.

By: Steplan M. Tegloric

Name: Stephen M. Teglovic

Title: President/CEO

COLLEGE ENTERPISES, INC.

Name: Donald B. Mask

Title: President - CEO